

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

INVESTIGATION INTO THE FEASIBILITY	)	
OF IMPLEMENTING DEMAND-SIDE	)	ADMINISTRATIVE
MANAGEMENT COST RECOVERY AND	)	CASE NO. 341
INCENTIVE MECHANISMS	)	

O R D E R

Big Rivers Electric Corporation, Kentucky Power Company, Kentucky Utilities Company, and The Union Light, Heat and Power Company (collectively referred to herein as "the Utilities") have jointly moved the Commission to issue an Order scheduling a conference in order to expedite a final decision in this administrative proceeding. The Utilities further express their concern that the Commission will use a decision in Case No. 93-150<sup>1</sup> to establish generic policies that will be applied to other electric utilities in the state. The Utilities recommend that any decision in Case No. 93-150 prior to the conclusion of this case be limited to Louisville Gas and Electric Company ("LG&E").

The Commission is not prepared at this time to render a final decision in the instant case, but can assure the Utilities that the demand-side management ("DSM") proposals of LG&E and its joint applicants in Case No. 93-150 are viewed as experimental in nature

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<sup>1</sup> Case No. 93-150, A Joint Application for the Approval of Demand-Side Management Programs, a DSM Cost Recovery Mechanism, and a Continuing Collaborative Process on DSM for Louisville Gas and Electric Company.

and limited to LG&E and its customers. Although the DSM proposals in Case No. 93-150 have raised fundamental statutory questions and concerns regarding the manner in which DSM cost recovery proposals are reviewed, the Commission has never intended to use a decision in that case for any purpose other than to decide the issues presented there. In the future, the Commission will likely favor a process in which utility DSM cost recovery, lost revenue recovery, and financial incentive proposals are treated individually and analyzed on a case-by-case basis.

IT IS THEREFORE ORDERED that the Utilities' motion for an informal conference be and it hereby is denied without prejudice.

Done at Frankfort, Kentucky, this 2nd day of November, 1993.

PUBLIC SERVICE COMMISSION

  
For the Commission

ATTEST:

  
Executive Director